RICHARD RUSSELL'S DOW THEORY LETTERS INCORPORATED

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Nov. 29 DJIA 1472.12; PTI 2000; A-D Ratio -12.45

THE PICTURE: In the last Letter, I wrote a piece about the "preordained" approach to the market. This is the approach that says, "The market has done this or that every seven years, so let's operate on the assumption that it will do the same thing again." Is this a valid approach? We'll get a test of this thesis during the next 12 months, as I will outline below.

And then the question arises, "How sophisticated is today's market? Does that market have a memory?" And if it does, if everybody and his brother remembers the same set of circumstances, won't that mass memory (contrary opinion) cancel itself out? For instance, if the market becomes speculative and frothy and people start predicting "another 1929" (as many are now doing), won't the net result be no 1929? At any rate, I have been mulling over all these thoughts for some time.

Today, most of the sophisticated investors that I know and almost every advisory service with a sense of history are wondering whether today's "casino society" is not just another brand of 1927-28-29. We shake our heads as we read about the issuance of billions of dollars of junk bonds, the precarious federal and consumer debts, the dreadful plight of the farm banks, the foreign debt situation, the speculation in options, futures, state lotteries and what have you. "Yes, it's 1929 all over again," my older friends warn me. "It's just a matter of time before the walls come tumbling down."

This is really a fairly common view today. I've read it in dozens of publications and I keep reading it. And I wonder, can we have Armageddon? Can we be watching the bitter end with the short position on the NYSE climbing to the clouds (up 18% in the latest reading)? Somehow, I doubt it.

Here's a bit of interesting research that I just finished. I spent an afternoon going through all the stock market action since 1932 (something that, in truth, I've done a hundred times before, but I did it again just to refresh my memory). I noted that since 1932 there has been a major secondary reaction or a bear market in the year following EVERY presidential election. Only twice has there been a two-year wait following a presidential election before the trouble came (1944 and 1960). But in every other case, it was only a one-year wait. There were no exceptions.

This thesis is so important that I might as well document it. Roosevelt was elected in 1932, A bull market was on, but between July and October 1933, the market broke wide open in a severe secondary correction. The Dow lost 23% of its value in a three-month period.

Roosevelt was re-elected in 1936. In 1937 Wall Street experienced a vicious bear market that cut the Dow in half.

In 1940 Roosevelt was re-elected for a third time. The market declined from January to May 1941 and again from July 1941 all the way to April 1942.

Roosevelt was re-elected for a fourth term in 1944. In 1946 a short but violent bear market sliced 23% off the Dow. Many secondary stocks collapsed.

Truman was elected in 1948. The market embarked on an extended decline into June 1949.

In 1952 Eisenhower was elected. The market experienced a costly reaction lasting January 1953 to September of that year.

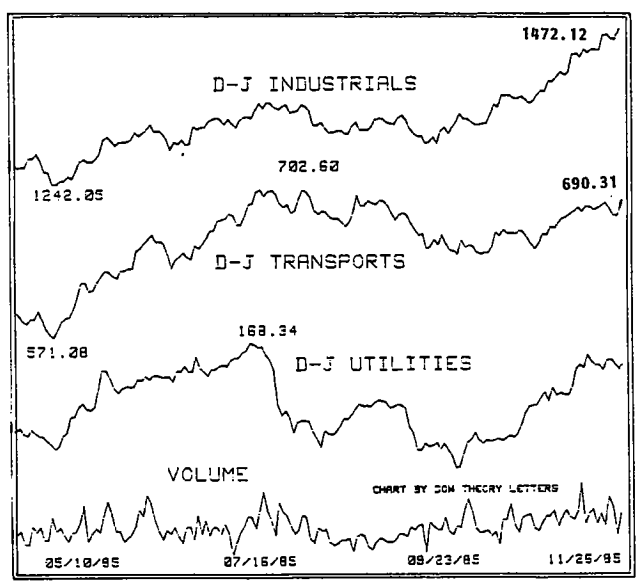
In 1956 Ike was re-elected. A vicious correction began in July 1957 and ended in October, during which the Dow lost 19% (most other stocks did much worse).

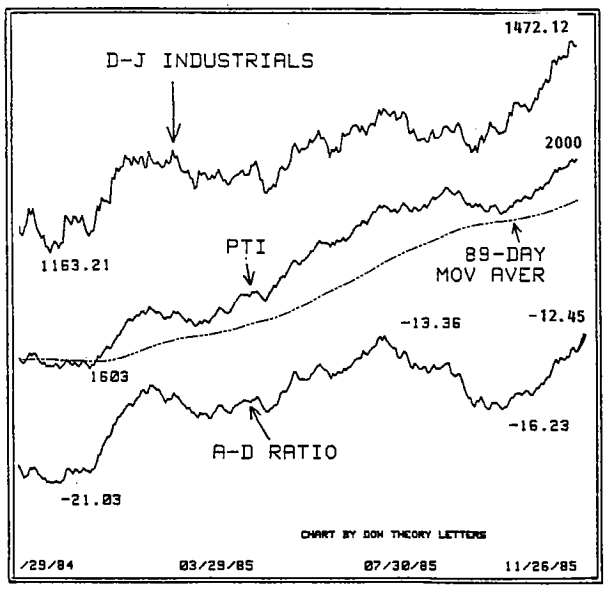
The year 1960 saw John Kennedy elected. The market collapsed two years later in 1962, and I well remember that IBM was cut in half that year.

In 1964 Johnson was elected. The following year saw a rough correction, while 1966 witnessed a further vicious and extended market collapse (January through October).

In 1968 Nixon captured the White House. The following year 1969 was an expensive one with the Dow dropping from 968 to 769.

Nixon was re-elected in 1972. The years 1973 and 1974 saw the worst bear market since the '30s.





Then we come to 1976, the year of Jimmy Carter. The market declined all during 1977. The Dow dropped 204 points that year.

Next, 1980 and Ronald Reagan was our president. And 1981 saw the Dow drop from 1024 in March to 824 in September.

Reagan swept the country in the 1984 election. And here we are in 1985 and the worst we've seen so far is a minor breakdown in some of the big composite averages and a lagging advance-decline ratio. True, the secondary stocks and the technology issues have been hit and in many cases hit hard. But the Dow has been a tiger and the major composites have recently hit new record highs. Is that all there is? Is the irregularity of mid-1984 and 1985 all the bad news that Wall Street is going to give us following the 1984 election?

I don't know, I really don't know. But, if there's going to be trouble the Dow Theory will allow for it. The D-J Transportation Average has yet to confirm the new highs in the D-J Industrial Average. But so far, the basic structure of the market has held together despite a thousand warnings from technicians and market mavens.

All during September and October my PTI issued caution signals, but the PTI never broke below its critical 39-day moving average. Therefore, the PTI pattern was a warning -- not a bear signal. More recently, the PTI has climbed to new record highs.

Nevertheless, from here on 50 years of history is on the side of the bears. Next year will be the second year after the Reagan election, and the stock market has never in the last half century escaped trouble one or two years after a presidential election.

That's history and you can call it cycle history or repetition history or anything you like. But remember this: I have always stressed that I watch MARKET ACTION. History can give us hints, implications and scenarios, but the market action tells us what is happening. And if market action stays strong, there is no sense fighting the trend. Market action, in my work, supersedes everything else. That's why I trust my PTI. It knows nothing of history, it knows nothing of cycles or previous events. It operates strictly on the basis of current market action. And it has saved me from stupid decisions many times over the past 15 years.

From a Dow Theory standpoint, as matters now stand, Industrials would have to break through their last reaction low at 1297.94 confirmed by a Transport violation of 640.57 for a primary bear signal. If this were to occur, it would be a very late signal because the Dow is so far above the 1297.94 level.

The PTI, now in the 1990s area, would have to break below its 89-day moving average for a major bear signal. The moving average is now at 1916.

HERE'S THE GOOD NEWS: In his outstanding and original book, "Market Logic," Norman G. Fosback included a chapter on what he terms his "once in a generation buy signal." The signal he is referring to is the one that is triggered when the member off-floor balance index switches (which it very rarely does) decisively to the buy side. This index measures the activities of all the NYSE members other than the floor traders and specialists. Only three times since the 1940s has this index moved strongly and persistently to the buy side, and those three times occurred at or near three MAJOR BOTTOMS: 1942, 1949 and 1974.

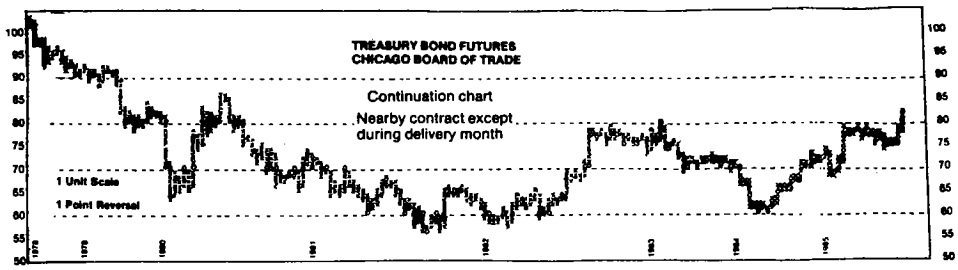
It is well to note that the off-floor members balance index possesses a strong sell bias. The off-floor members sell when they take in big blocks, they sell for arbitrage purposes, they sell when they distribute private unrecorded purchases. In other words, it is extremely rare to see consistent buying by these off-floor members. The few times when they did buy -- those times occurred at or near historic bottoms.

Now the surprise: the off-floor members have been buying on balance for the past six weeks! This rare occurrence (unlike 1942, 1949 and 1974) comes after a mighty market rise. But it is interesting, or I should say, fascinating. What does it mean? Put it this way, I'm not sure -- but it certainly is NOT bearish. And it could be very bullish. (Market Logic, 3471 N. Federal Hway, Ft. Lauderdale, FL 33306.)

INVESTMENT POSITION: A tremendous amount of confusion exists at present with any number of analysts issuing warnings about the stock market. There is no doubt about it -- there are some glaring technical deficiencies (such as the refusal of the Transports to confirm the Industrials). Nevetheless, I have no real technical breakdowns yet, and the more warning bells ring (contrary opinion), the better it is for the market. But I am beginning to feel that it is getting rather late to buy either stocks or bonds. Personally, at this moment I am (for the first time in many months) more of a watcher than a buyer.

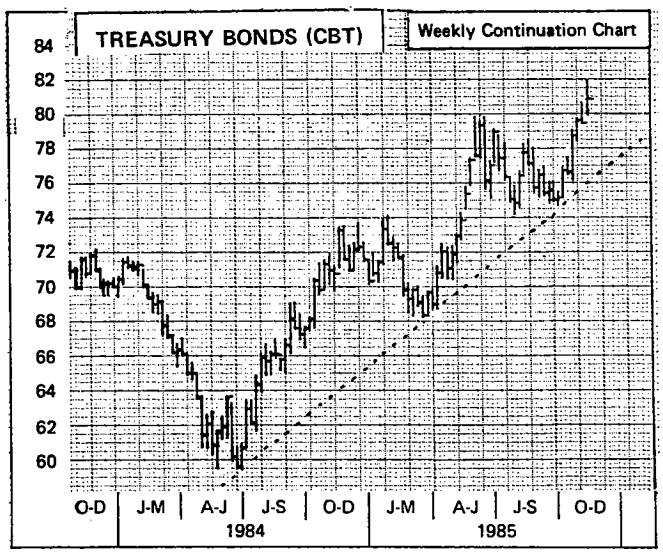
The PTI continues to hit new record highs (page 2 chart) and there has been no Dow Theory bear signal. Consequently the bull stays in this box. I count only 12 of the 30 Dow stocks that are now decisively bullish and these include ALD, AC, AXP, T, DD, XON, MCD, MRK, OI, PG, WX, Z.

BONDS, RATES: The accompanying point & figure chart (courtesy of Smith Barney) shows T-bond futures breaking out of a "head-and-shoulders" bottom formation. Put simply, that's bullish. On a



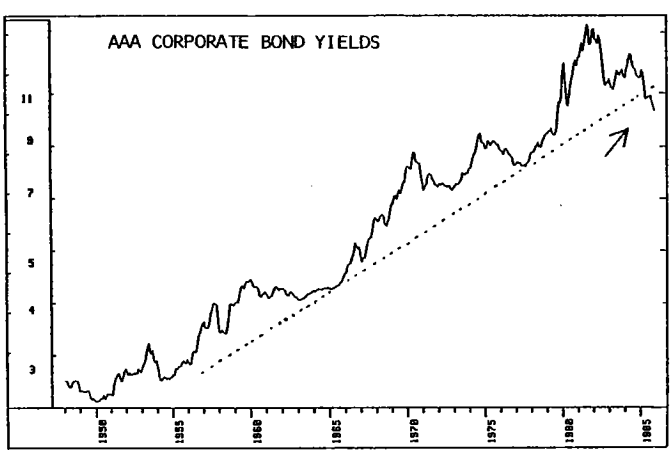
point & figure count the breakout could take the T-bond contract to 100. If that happens, we'll see interest rates on the long-term T-bonds in the 7-8% area -- which would be quite a shock -- and quite a bonanza to today's bondholders. Actually, I don't much care whether the bonds stay here or move higher. I've been recommending bonds for the last few years, and at the price my subscribers and I bought them, they yield so rewardingly that I'm satisfied if they sit here forever.

Nevertheless, the trend is up for bonds and down for interest rates. And I guess the stock market likes that. As the old saying goes, "Stocks need bonds, but bonds don't need stocks." Translation: bonds can rally on their own, but stocks can't make headway against a rotten bond market.



Above: A different view of bonds from our "the trend is your friend" dept. (chart courtesy of Dunn & Hargitt).

CHART OF THE YEAR: Is this it, is this the chart of the year? It just could be. Here we see the top-grade

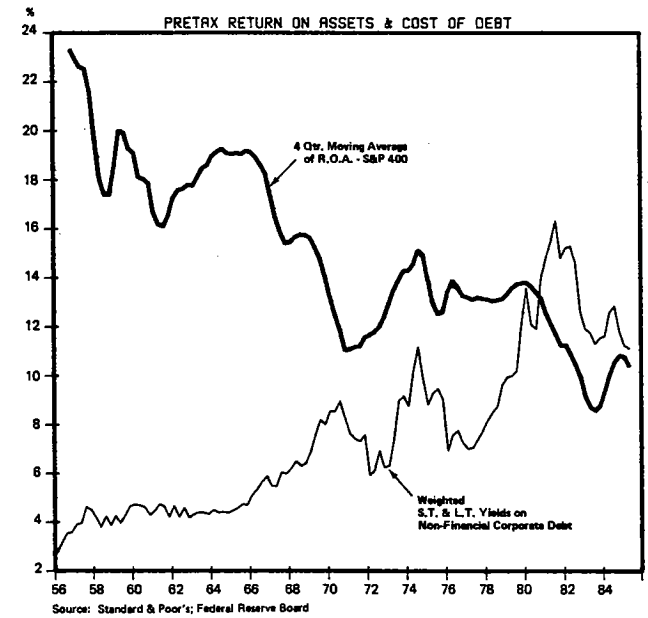


AAA corporate bonds breaking below a trendline that has held since the 1950s. As if to confirm this move, the long-term government bonds broke below the critical 10% yield zone -- to single digit yields.

What's the bond market telling us? It could be telling us a number of things. (1) The bond market could be saying that inflation is dead for years to come. (2) The bond market could be telling us that Congress is actually going to do something basic (due to public pressure) about federal deficits. (3) The bond market could be telling us that somehow the US and Russia are going to get together and make major cuts in military spending -- I doubt this one.

Or (4) the bond market may be telling us that bonds are a bargain in comparison with stocks, and that big investment money and public money are now moving en masse into the bond market.

If the above chart is the chart of the year, then this next chart is the next most important chart of the year (this chart courtesy of Merrill Lynch's


%
PRETAX RETURN ON ASSETS & COST OF DEBT
4 Qtr. Moving Average
of R.O.A. - S&P 400
Weighted
S.T. & L.T. Yields on
Non-Financial Corporate Debt
Source: Standard & Poor's; Federal Reserve Board

Investment Strategy Quarterly). The heavy line represents the return on assets for the S&P 400 Stock Index. The fine line is the cost of debt for those same 400 companies. Note that the two lines, after years of moving toward each other, have now crossed! What does this mean? It means that these companies now make more money buying debt securities (bonds) than they do by investing in productive assets. In other words, the return on bonds is now superior to the return on assets for the S&P 400 stocks. Is it any wonder, then, that the bond market is strong? You're better off buying bonds than investing in your own business (if you're one of the S&P 400). That's an incredible state of affairs. And it's a reason to buy debt rather than assets.

QUESTIONS & ANSWERS: Question: The D-J Transportation Average struck its record high of 702.13 on August 1. It has not been back there since, despite repeated new highs in the D-J

Industrial Average. Isn't this lack of confirmation a danger signal under Dow Theory?

Answer: Most observers and pseudo-students seem to take a very mechanical view of Dow Theory. Yet the Theory simply does not lend itself to mechanical or automatic readings. There is a good deal of art and interpretation involved. In the present instance, for example, although the Transports have not confirmed on the upside, they have been moving (up) in the direction with the Industrials. This is important.

Secondly, in the great majority of cases, a primary breakout by one Average (as we have been seeing repeatedly in the Dow) has been confirmed by the lagging Average. Thus, we should not jump the gun and say, "Ah, the Transports have not confirmed. It's all over for the bull market."

Third, we have other evidences of strength such as the new highs in the major composite Averages, the S&P 500 and the NYSE Composite. The fact that these broad Averages have climbed to record highs is a big plus in the overall technical picture. It is also a major plus (see last Letter) that the NYSE Financial Average has been climbing to successive new highs.

The three non-confirming laggards in today's market are the Transportation Average, the Utility Average and the advance-decline ratio. Obviously, it would be far better, technically, if these three were also at new highs, but as I said in the last Letter, we can't have perfection. And if everything was indeed picture-perfect, what would the bears have to worry about? No, the market is acting well, and with the lagging Averages moving up in direction, we have to infer that in due time they will confirm.

Lastly, it is a great source of comfort to me that my PTI is hitting new highs almost every day. I have seen the stock market stall while the PTI was recording successive new highs -- but (and this is important) I have never seen the market run into trouble while the PTI was in a solid uptrend.

Question: Russell, I don't care what anyone says, I'm worried about the US and world financial systems. Assuming we have a financial and economic crisis, where is the best place to be?

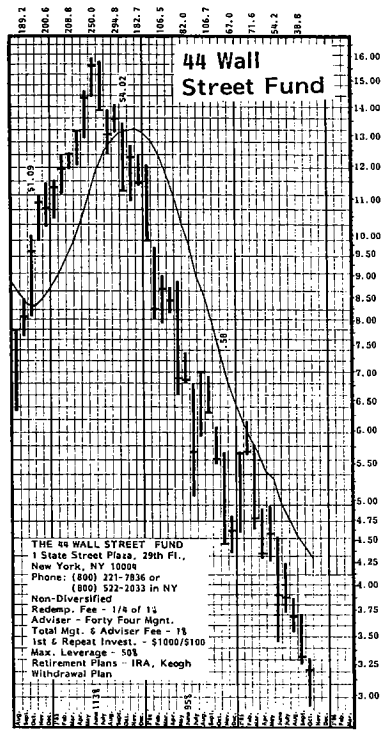
Answer: I must get a letter a day on this same question. Obviously, nobody can supply the perfect answer to where to be during a world cataclysm, but here is my best shot: In a world crisis you want to preserve your buying power. My suggestion would be (1) roughly 25 % of your money in US T-bills or even up to 50% if you are afraid of any kind of foreign currency. (2) For those who are not afraid of foreign currencies, I would put the second 25% in Swiss francs and Japanese yen. (3) I would put the third 25% in gold coins such as Mapleleafs or Kronas or Krugerrands. (4) The final 25% I'd probably keep in nearer-term muni bonds from your own state on the thesis that many of the states are (on an accounting basis) far more solvent than the federal government.

Question: I notice that you never mention the Hulbert ratings or any other ratings in relation to your advisory service. Why not?

Answer: I've always felt that rating the various services on the basis of stock-picking performance is nonsense and I want no part of it. First of all, the stock picks and the ratings are all history. A good performance on the part of an advisor one year can turn into a disaster the next. But that's not my real objection. My real objection is this: I don't recommend that any investor try to make money on the basis of following this or that service's stock picks. In 26 years of writing this report, I have seen dozens and dozens of "managed accounts", "fantasy accounts", "master accounts", etc. I have yet to receive a letter from anyone who claimed that he has been continuously successful over the years following any particular service. On the other hand, I have received literally hundreds of complaints and sad stories from people who have slavishly acted on some advisory service's recommendations.

As far as I am concerned, one should read an advisory service for ideas and for knowledge -- not for the magic formula to making money. If you are not willing to do the work, if you are not willing to do the research, then you are on the road to losing your assets regardless of the advisory you read. And that goes for Dow Theory Letters as well. Any suggestion or recommendation I ever make is offered for your study and consideration. I don't want anyone blindly following me, because if you do you are going to run into trouble. I'm not a genius nor is anyone else in this business except maybe Warren Buffet and he doesn't write a report.

The service that can make money for anyone that follows it blindly would soon have all the subscribers in the free world on its subscription lists. As far as I know, that has never happened. And it never will. So my feeling is that rating the services on stock peformance is the bunk. When you act on an advisory service's rating, you're acting on history. This year's hero can bankrupt you in 1986. Example: Remember when the 44 Wall Street Fund was the hottest fund around? I submit this current chart of the fund for your perusal (chart courtesy of Growth Fund Guide, Box 6600, Rapid City, SD 57709).


44 Wall
Street Fund
THE 44 WALL STREET FUND
1 State Street Plaza, 29th Fl.,
New York, NY 10006
Phone: (800) 221-7836 or
(800) 522-2033 in NY
Non-Diversified
Redemp. Fee - 1/8 of 1%
Adviser - Forty Four Mgnt.
Total Mgt. & Adviser Fee - 1%
1st & Repeat Invest. - $1000/$100
Max. Leverage - 50%
Retirement Plans - IRA, Keogh
Withdrawal Plan

NOTES & QUOTES: San Diego prides itself on having the best climate and generally being the most livable city in the US. So imagine its chagrin and horror when the city woke up to find 15 billboards placed prominently around the city proclaiming Pittsburgh as "The Most Livable City in the US." Not to be outdone, San Diego has put up 10 billboards picturing a scantily-clad San Diego beauty on the beach with the inscription, "Winter is the Pitts If You're Not in San Diego." So goes city-wars.

* *

What does it cost you in taxes to live where you live? Or to put it another way, you better love where you live because it is costing you a lot in taxes to do it. Following the approximate combined federal-state-local income tax rates for the high-tax states: New York State 49% and add 2% more if you live in the City, Massachusetts 45.8%, Connecticut 48%, California 46%, N. Carolina 42%, Maryland 41%, Georgia 41%, Virginia 40.8%, Michigan 40.4% (add 3% for Detroit), Ohio 40%, Philadelphis, PA 42.3%.

* *

What's keeping the stock market up, what does Wall Street see ahead? Well, the boom in auto sales may have peaked out -- but don't write off housing. With long-term interest rates down to a 5-year low, home buyers are getting excited. This piece is from last week's SD Union. Remember, they say that everything starts in NYC or the West Coast. If so, we could be in for a housing boom.

Inspired by falling interest rates and a steady stream of new residents, developers are rushing to build so many houses, apartments and condominiums that they may obtain a record 40,000 residential building permits in San Diego County by the end of the year, statistics show.

Figures compiled by the Greater San Diego Chamber of Commerce reveal that 32,183 building permits for residential units were issued to developers through the end of September, a frantic pace that outstrips the boom years of 1971 and 1972, when the county—and particularly the City of San Diego—experienced a sudden spurt in growth.

"It means that a lot of people want to live in San Diego, I guess," said James Fawcett, an economist with the city's engineering department. "I think it means the economy is pretty good.

* *

What about the new House Ways & Means tax bill? In a phrase, it's another tax transfer plan, and a bad one. The only honest criticism of the bill came from the pages of the Christian Science Monitor which correctly stated that the bill knocks capital formation on the head and gives consumers a little more money to go into debt with. This nation needs a national sales tax and it needs a tax plan that will encourage savings. The new tax bill is a dud, and I hope Reagan turns it down (but he's a compromiser, and he'll probably go along with it, hoping it can be changed in the Senate).

Tax plan's message: mortgage the future for benefits today

Boston

IN Western societies, a man's home is his castle. In America, his (or her) second home has become a second castle — as inviolable as the first.

This subject arises because of the understandable but shortsighted behavior of tax reformers in Congress. Rep. Dan Rostenkowski's House Ways and Means Committee recently voted in favor of more second castles and less retooling for America.

The members did so by spurning proposals of earlier tax reformers to phase in some kind of upper limit on mortgage-interest deductions for second (or third) houses. At almost the same moment they voted to eliminate the investment tax credit, a stimulus for retooling United States industry.

That's one more example of mortgaging the future in the US to subsidize more comfortable mortgages in the present. It's not an isolated example. Lawmakers have taken roughly the same attitude on social security benefits — present over future. And they have done more of the same by retaining incentives for consumer credit spending and disincentives for personal saving.

* *

What's the best business in the world? FISH, according to my old friend, Eliot Janeway (Janeway Publishing, 15 E. 80th St., NYC 10021). And when Eliot is enthusiastic about something, it's got to be good! Eliot states that fish and seafood products are the ONLY items commanding a seller's market simultaneously in both the US and Japan. And he's right! The world is eating more and more fish (at the expense of pork and beef) and the ocean's supply of seafood is dwindling. How to get in on the current (and in the future even bigger) boom in fish? Probably artificial fish culture via inland fish farms. If any of my subscribers have any really helpful information on this subject, I would be most grateful if they would send it in (I'm constantly amazed at the pool of inside information that can be supplied by my sophisticated subscribers).

* *

Here's a fascinating piece of research. Market Logic (3471 N. Fed. H'way, Ft. Lauderdale FL 33306) notes that when Dow Jones makes a substitution in the D-J Industrial Average, it is usually good policy to buy the stock that was kicked out. Since 1950, three stocks have been jettisoned, Chrysler, Esmark and Manville. After they were kicked out, all three stocks tripled or more. Market Logic recounts a classic which occurred in 1939. At that time IBM was replaced with American Telephone. Worse, in 1932, RCA (then selling for a pittance) was replaced by Nash Motors which later went broke. Last month American Brands was taken out of the Average because of the Phillip-Morris/General Foods merger (they didn't want two tobacco stocks in the Dow). The tobacco stocks in general are probably depressed because of the landmark cancer suit now in the courts. But if history means anything, the latest Dow Jones castoff, American Brands, should be a buy (personally, I like the stock and have had it in my kids' accounts for years).

* *

If you live in Detroit, you're living in a high crime area. If you live in San Diego, not only do you get the great weather, but you get low crime. Here are some interesting figures for large cities: Murder per 100,000 population: (1) Detroit 45, (2) Miami 42, (3) New Orleans 37, (4) Oakland 32, (38) San Diego 11. Robbery per 100,000: (1) Detroit 1618, (2) Newark 1434, (3) Miami 1424, (4) NYC 1109, (50) San Diego 600. Motor Theft per 100,000: (1) Detroit 3749, (2) Boston 3046, (3) Cleveland 2499, (4) Newark 2444, (20) San Diego 919.

* *

Please! I hope these are not intimations of things to come. The NYSE states that it is going to enlarge its trading floor by 25%. The last time the Exchange announced an expansion project was in 1969, prior to five rotten years for the stock market. ... Builder Donald Trump has announced plans for the world's tallest building to be located in NYC's West Side. In August 1929 John Raskob announced that he was going to build the Empire State Building, which was to be the world's tallest building. The Empire State Building went broke before completion (at the start of the Great Depression), and I remember as a little boy seeing the great edifice half built and still covered with scaffolding. It was years later before it was completed.

* *

An old adage on Wall Street states, "The most bullish thing the market can do is go up." Not so, to my mind -- for instance, how about the final rise to Dow 381 in September 1929. Was that bullish? No, the most bullish thing the market can do is go up convincingly -- with the technical indicators in gear. This market has been doing pretty well along these lines.

And it has forced some revisions. In his latest (Nov. 27) report, Joe Granville writes : "The September-November market rise has forced me to do a lot of serious thinking about this market. Yes, this does look like the final fling of the bull market, but I am going to give the bull the full benefit of the doubt until a more plausible bearish case can be made out of the current string of bullish indicators. So put me down as a reluctant bull until a better description comes along."

S.J. Levy and David Levy, who have been forecasting a severe recession for late-1985, say in their latest report that the consumer, if he continues to spend his head off, could delay the coming recession. "If this development occurs," say the Levys, "the economy may emerge from its sluggish state and move ahead with some vigor, perhaps through the second quarter of 1986, before plunging into recession."

As for Richard Russell, I'll just continue following the market itself. If there's a recession ahead, Wall Street does not see it as of this writing. And Wall Street's a reflection of not one or two brains, it's a function of ALL the brains who buy and sell stocks.

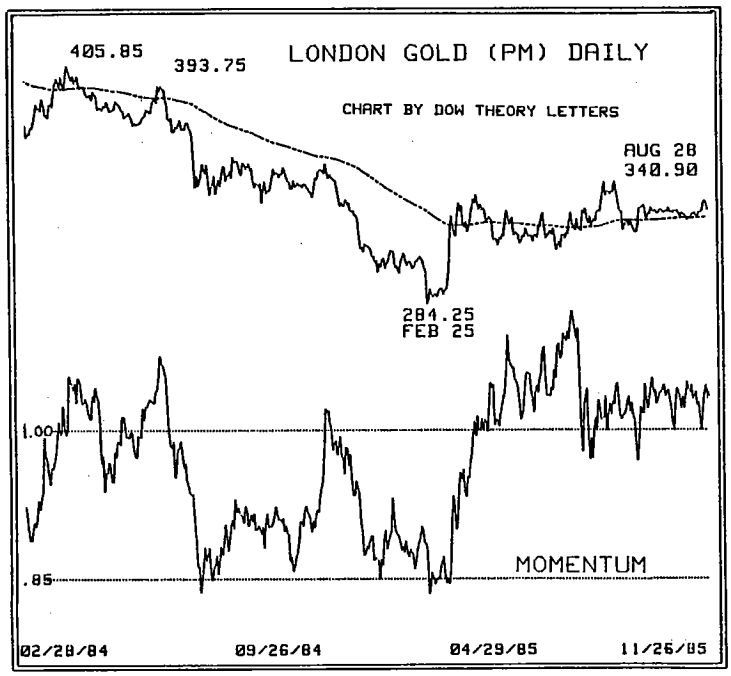
GOLD: It's been 10 months since the 284.25 low fix in London gold. A primary bear market seldom goes a full year without making a new low (it can happen, but it's rare). So the longer that 284.25 low holds for gold, the better the chances are that the bear market in gold is over. And that's one of the reasons that I am buying gold coins on a careful, controlled scale (a fixed number of coins the first of each month).

Of course, there are two other reasons why I like gold, one market-oriented and the other purely emotional. The market-oriented one is this. People are getting tired of waiting for a move in gold. They're bored with waiting for a gold bull market. Gold has been a dead issue for five years. Debt (bonds) is "hot" now, and real money (gold) is "out". I like that situation, because I have a 25-year habit of accumulating what nobody else wants.

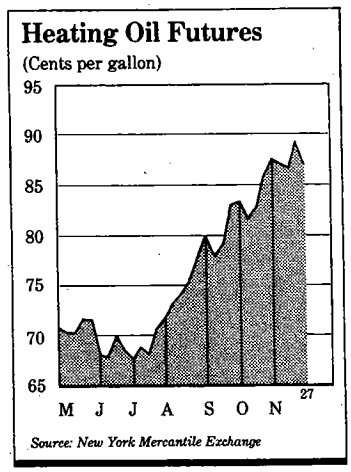
Third reason: emotional. Here Diana Vreeland, former chief editor for Vogue, says it better than I could (from the current December issue of Vanity Fair): "Gold, gold, gold! Isn't it spellbinding, how it rings with splendor? I love to talk of gold -- of ancient gods and epic tales, of brave knights and alchemists, of explorers and El Dorado, the city of gold! Gold has such power -- such warmth, such depth. It comes to you, I mean, you never miss gold. It gleams, it stretches its light into your eye. It is the urge of the glutton. The gift to the child.

" I love the vocabulary of gold: karats, troy ounces, bullion, nuggets, gilt. Have you ever seen gold leaf applied? It's a fascinating sight. I watched as the gilding specialist from the Louvre worked his art. I stared at him -- mesmerized. ..." And Miss Vreeland goes on about gold for about two more pages! There, doesn't that make you drool for gold? Doesn't that make you want to own about 10,000 Maple Leafs?

Interesting item: the US (in view of the Krugerrand ban) is going ahead with plans for a US gold coin to be minted in four sizes. The coin will be legal tender. The coin's sponsor is Sen. James Exon (D-Nebr.).



Meanwhile, on the price front the great gold/oil paradox continues. Historically, the price of oil ("black gold") and gold tend to move in the same direction. Yet that is not what is happening today. Note this chart of heating oil (futures). Since June heating oil has risen from 67 to almost 90. During the same period gold has done little or nothing. At the same time, the average prices of most other commodities (judging from the action of the CRB Commodity Futures Index) have marked time. The mystery of the powerful rise in oil goes on.



The gold chart, however, continues to show gold in a mildly bullish mode. The gold price is holding above its 144-day moving average with the upside target still the August 28 high of 340.90. Momentum (89-day rate-of-change) is still holding bullishly above 1.00, meaning that gold's momentum remains positive. So what's next? The chart indicates that gold accumulation is still permissible. Interestingly, many of the S. African gold shares are up 10% to 20% from their lows. Investors are evidently becoming used to the semi-chaos conditions in S. Africa.

LATE NOTES: You may "feel" cautious or bearish about this market, but I suggest that you don't let your feelings interfere with the facts. On Nov. 27 the NYSE Composite and the NYSE Industrial Average hit record highs as did the Dow Industrials and the D-J 65. Also at new highs were the S&P 500 and the S&P 400 Industrials. Then on Nov. 29 my PTI hit a record high of 2000, while the A-D ratio (NYSE) rose to a new high for the year. Finally, on Nov. 29 the S&P 20 Transports hit a new high (probably signaling a coming new record high for the lagging Dow Transports). It's quite a bull market! Get with it or get out of the way.

NEXT MAILING: December 18